
Customer Satisfaction in Indonesia's Retail Industry: Economic Antecedents and Business Consequences

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Abstract:

This study wants to find out how things like product variety, perceived price, store design, store atmosphere, customer service, and convenience affect how satisfied customers are. It also looks at how customer satisfaction affects whether they will buy from the store again. This study uses numbers and statistics to do this. The study collected information from 232 people using a questionnaire on Google Forms. These people were customers of Flying Tiger Copenhagen in Indonesia. The study used a method called SEM PLS to analyze the data. This included testing how well the data was measured, the relationships between different factors, and the study's main ideas. The results showed that product variety, perceived price, store atmosphere, customer service, and convenience all make customers satisfied. But store design actually made customers less satisfied. Also, satisfied customers were more likely to buy from the store again.

Keywords: *Customer Satisfaction, Repurchase intention, Retail Industry.*

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1. Introduction

Since the late 2000s, the global retail industry has undergone significant transformation, especially following the introduction of the "omnichannel" concept in 2009. This concept integrates multiple sales channels—both online and offline—to provide customers with a seamless and connected shopping experience (Suriansha, 2021). Toward the end of the 2010s, retailers increasingly adopted the "AI and Mobile Everywhere" approach, incorporating artificial intelligence (AI) and mobile technology into various operational areas such as product recommendations and inventory management (Wijoyo et al., 2020). These innovations have substantially influenced global retail performance. For instance, online retail sales are projected to be the fastest-growing segment, accounting for 24% of total retail sales and estimated to

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reach US\$1.4 trillion, or approximately 64% of total global sales (Detik Finance, 2024).

In Indonesia, the traditional retail sector has also experienced substantial growth, driven by technological advancements and shifting consumer preferences. The industry is expected to grow at an annual rate of 5%, with food and beverages being the largest segment, reaching IDR 813,062 billion in 2022—a growth of 4.90% (Intelligence, 2024). Retail expansion is increasingly occurring in medium-sized cities as businesses aim to broaden their market reach. Additionally, many Indonesian retailers are embracing the omnichannel strategy to enhance efficiency and improve customer satisfaction. For example, AZKO—formerly ACE Hardware—has implemented a new store design that emphasizes digital integration and enhanced customer experience. Other major retail chains in Indonesia include Alfamart, Indomaret, PT Matahari Putra Prima Tbk, and Ramayana Lestari Sentosa (Intelligence, 2024; Khasbulloh & Suparna, 2022).

The acceleration of Indonesia's retail sector is further propelled by digital transformation. Retail sales increased by 1.80% in December 2024 compared to the previous year. From 2006 to 2024, retail sales recorded an average annual growth rate of 6.84%, peaking at 40.30% in January 2010 (Trading Economics, 2024). In 2021, Indonesia ranked fourth in the Global Retail Development Index (GRDI), with total retail sales amounting to US\$407 billion or IDR 6,044 trillion (Kompas, 2022). These trends highlight the necessity for retailers to continuously innovate, adopt new technologies, and adapt to changing consumer behaviors to remain competitive in the global market (Media Indonesia, 2024).

Product diversification also plays a crucial role in retail growth. Categories such as arts and crafts, party supplies, stationery, home décor, accessories, toys, and kitchenware are driving sales—fueled by rising disposable incomes, evolving lifestyles, and demand for innovative and functional products. A notable player in this market is Miniso, which offers a wide range of accessories, cosmetics, appliances, and toys with minimalist, modern designs. The brand operates over 5,400 stores worldwide, with more than 2,000 located outside of China (Retail Asia, 2024).

Oh Some, formerly known as KKV, is another major player that has captured market attention with futuristic and trend-conscious store designs (Jakarta Daily, 2024). As of October 2023, Oh Some had opened 50 outlets in Indonesia and 421 in China (Solo Aja, 2024). On August 1, 2024, all KKV outlets in Indonesia officially rebranded to Oh Some as part of a strategic brand refresh (Jakarta Daily, 2024).

Flying Tiger Copenhagen, a Danish retailer, has also gained popularity in Indonesia with its creative product offerings, affordable prices, and unique shopping experience (Flying Tiger Copenhagen, 2024). In November 2023, PT Mitra Adiperkasa Tbk (MAP) secured an exclusive partnership with the brand and opened three outlets, including one in Grand Indonesia Shopping Mall (MAP, 2023). MAP chose Flying Tiger for its appealing store design and fun, distinctive product selection (MAP, 2023). By February 2025, Flying Tiger operated 26 stores across Indonesia, and although the exact number by June 2025 was undisclosed, social media and MAP Club data suggest continued expansion into new cities.

Given the intense competition in retail, customer loyalty is increasingly difficult to maintain. It is therefore essential for Flying Tiger Copenhagen employees to understand the drivers of customer satisfaction. In the retail context, customer satisfaction plays a vital role as it leads to customer loyalty and repeat purchases (Chatzoglou et al., 2022). Key influencing factors include product variety, pricing perception, store design, store atmosphere, customer service, and convenience.

A wide range of products enhances a store's attractiveness. Customers are generally more satisfied when they are offered options that match their preferences and needs (Salem & Alanadoly, 2024). Maitri et al. (2025) also found that product variety positively influences repurchase intentions, a view supported by Sisca et al. (2022). However, Maichael (2018) argued the contrary—that product variety does not significantly impact customer satisfaction.

Perceived price fairness is another critical factor. Customers are more likely to feel satisfied and make repeat purchases when they believe the price reflects the value received (Yokoyama et al., 2022). Diana and Azizah (2024) support this notion, though Oktavia et al. (2024) and Fitrianto & Wikaningtyas (2023) found no significant relationship between price and satisfaction.

Store layout and ambiance also influence satisfaction. An intuitive design and easy product accessibility enhance shopping efficiency, while elements like lighting, music, and décor contribute to a pleasant store atmosphere (Charles et al., 2021; Panel, 2012; Tiara et al., 2022).

Beyond physical elements, friendly and responsive customer service is essential in building strong relationships (Happ et al., 2021). Factors such as store accessibility, strategic location, and fast checkout processes further improve the customer experience (Saraswati & Indriani, 2021; Yokoyama et al., 2022). Together, these elements foster repeat purchases.

To stay competitive, Flying Tiger Copenhagen must focus on enhancing customer satisfaction and fostering loyalty. Satisfied customers are more likely to revisit and recommend the brand to others (Chatzoglou et al., 2022). Therefore, optimizing the customer experience is crucial to the company's success in the Indonesian market.

This study investigates the influence of product variety, perceived price, store design, store atmosphere, customer service, and convenience on customer satisfaction and repurchase intention at Flying Tiger Copenhagen.

Research Questions:

1. Does product variety positively impact customer satisfaction at Flying Tiger Copenhagen in Indonesia?
2. Does perceived price positively impact customer satisfaction at Flying Tiger Copenhagen in Indonesia?
3. Does store design positively impact customer satisfaction at Flying Tiger Copenhagen in Indonesia?
4. Does store atmosphere positively impact customer satisfaction at Flying Tiger Copenhagen in Indonesia?
5. Does customer service positively impact customer satisfaction at Flying Tiger Copenhagen in Indonesia?
6. Does convenience positively impact customer satisfaction at Flying Tiger Copenhagen in Indonesia?
7. Does customer satisfaction positively impact repurchase intention at Flying Tiger Copenhagen in Indonesia?

2. Theoretical Foundations

Product Variety

According to Kotler and Armstrong (2018), product variety refers to the assortment of products offered by producers to consumers. The indicators of product variety, as outlined by Kotler and Armstrong (2018), include the number of products, product completeness, product size, and product appearance.

Perceived Price

Cockrill and Goode, as cited in Rangan et al. (2022), state that perceived price is a psychological factor that significantly influences consumer responses to pricing. According to Kotler and Armstrong, as cited in Rizan et al. (2020), the indicators of perceived price include price affordability, price fairness, price competitiveness, and price appropriateness.

Store Design

Kotler and Armstrong (2018) define store design as the process of planning and implementing the physical layout of a store to create an attractive and effective shopping environment. The indicators of store design, according to Saulina and Syah (2018), include marquees, store entrances, cleanliness, lighting, music, and product placement.

Store Atmosphere

Store atmosphere includes elements such as lighting, music, and decoration that influence customers' shopping decisions (Charles et al., 2021). According to Levy and Weitz, as cited in Putri et al. (2023), the indicators of store atmosphere consist of instore atmosphere and outstore atmosphere. Instore atmosphere includes layout, sound, smell, and interior texture, while outstore atmosphere includes exterior design, external layout, and texture.

Customer Service

According to Happ et al. (2021), good customer service includes friendliness, a willingness to assist customers, and the ability of staff to provide accurate product information. Customer service indicators, as described by Parasuraman, Zeithaml, and Berry in Tjiptono (2022), are reliability, responsiveness, assurance, empathy, and tangibles.

Convenience

Utami (2017) explains shopping convenience as the freedom for customers to move around the store, ease of finding desired items, and overall shopping comfort. The indicators of convenience, according to Utami (2017), include freedom of movement within the store, ease of item location, the ability to shop thoroughly, and overall comfort during the shopping experience.

Customer Satisfaction

Customer satisfaction refers to how customers feel about their overall shopping experience and whether their expectations were met or exceeded (Chatzoglou et al., 2022). According to Tjiptono (2019), customer satisfaction can be measured by the fulfillment of expectations, intention to return, and willingness to recommend the business to others.

Repurchase Intention

Kotler and Keller (2018) define repurchase intention as the likelihood that customers will make repeat purchases from a brand rather than switching to a competitor. According to Pinaraswati et al. (2024), repurchase intention is reflected through the desire to conduct future transactions, the intention to recommend the brand to others, and a strong preference for the brand.

Conceptual Framework

This study looks at 8 main things, which are shown in the research model below:



Figure 1. Research Framework

3. Methodology

This research uses numbers and surveys, with information gathered from questionnaires using a Likert scale. The questionnaire was sent out using Google Forms. The way of choosing participants in this research is Purposive Sampling, using the G Power formula. Before calculating, we need to set f^2 at 0.15, power at 90%, alpha ($\alpha = 0.05$), and have 8 things being measured. Based on the G Power calculations, we need at least 136 customers from Flying Tiger Copenhagen Indonesia to answer the survey. The people who can participate in this study are customers who have shopped at Flying Tiger Copenhagen Indonesia in the past six months, are at least 18 years old, and are Indonesian citizens. Based on these rules, this study had 232 people respond. The method used to analyze the data is SEM PLS, which includes looking at the measurement model (outer model), the structural model (inner model), and testing the hypotheses.

4. Empirical Findings/Results

Respondent Profile

The results are based on questionnaires given to 232 people who have shopped at Flying Tiger Copenhagen before.

Table 1. Respondent Profile

Characteristic	Category	Frequency (n)	Percentage (%)
Gender	Male	126	54.3%
	Female	106	45.7%
Age	18–27 years	119	51.3%
	28–43 years	74	31.9%
	44–59 years	34	14.7%

Characteristic	Category	Frequency (n)	Percentage (%)
	> 59 years	5	2.1%
Domicile	Jakarta	65	28.0%
	Depok	48	20.7%
	Bekasi	29	12.5%
	Bogor	27	11.6%
	Tangerang	27	11.6%
	Other areas	36	15.6%
Employment Status	Unemployed	87	37.5%
	Private employee	58	25.0%
	Student	41	17.7%
	Civil servant	25	10.8%
	Others	21	9.0%
Last Education Level	Less than a	141	60.8%
	Bachelor's degree		
	Bachelor's degree (S1)	58	25.0%
	Master's degree (S2)	27	11.6%
	Doctoral degree (S3)	6	2.6%
Store Visits (Last 6 Months)	1 time	60	25.9%
	2 times	44	19.0%
	≥ 3 times	128	55.1%
Shopping Frequency (Last 6 Months)	1 time	54	23.2%
	2 times	44	19.0%
	≥ 3 times	134	57.8%

Source : Data Processed (2025)

Outer Loading

To see if the measurement model is correct when using indicator reflection, we check how well the component/item scores relate to each other using SmartPLS software. The reflection size is considered high if it relates to the measured construct by more than 0.70. In this study, a loading factor value of 0.5-0.6 is okay when first making the measurement scale. Ghozali & Latan (2015) say that reflective measures are high in early research if they relate to the construct being measured by more than 0.7. But, a loading factor value of 0.5 to 0.6 is acceptable when first creating a measurement scale in early research.

Table 2. Validity and Reability-Testing

Indicator	Outer Loading
Atmosphere Store (CR=0,788; AVE=0,557)	
AM2: The music played at Flying Tiger is pleasant to hear and influences me to keep coming back.	0,784
AM3: The store decoration at Flying Tiger affects my purchasing decisions.	0,619

Indicator	Outer Loading
AM6: The scent of the Flying Tiger store is pleasant and attracts me to visit.	0,820
Customer Service (CR=0,815; AVE=0,524)	
CS4: The staff at Flying Tiger gives me special attention when I shop.	0,731
CS5: The staff at Flying Tiger is polite in serving me.	0,784
CS7: The staff at Flying Tiger provides the services I request.	0,679
CS8: The staff at Flying Tiger serves me in a respectful manner.	0,698
Convenience (CR=0,816; AVE=0,597)	
CV1: Flying Tiger is strategically located and easy for me to access.	0,714
CV3: Flying Tiger is situated in a strategic location for customers.	0,769
CV4: Flying Tiger is located in a place that is convenient for me.	0,831
Design Store (CR=0,803; AVE=0,578)	
DS3: The size of the Flying Tiger store encourages me to shop there.	0,796
DS4: The safe environment at Flying Tiger influences me to shop there.	0,693
DS6: Flying Tiger displays its merchandise creatively, which attracts me to shop.	0,787
Perceived Price (CR=0,860; AVE=0,552)	
PP2: Flying Tiger often offers discounts.	0,792
PP3: Flying Tiger often gives free gifts.	0,754
PP4: Flying Tiger offers the best prices for its products.	0,661
PP5: Shopping at Flying Tiger helps me save money.	0,773
PP8: The prices of Flying Tiger's products are in line with the quality I receive.	0,727
Product Variety (CR=0,813; AVE=0,521)	
PV5: I enjoy shopping at Flying Tiger because it offers a wide variety of products in each category.	0,735
PV7: The product selection at Flying Tiger is adequate.	0,713
PV8: Flying Tiger provides a broad range of products to choose from.	0,705
PV9: Flying Tiger meets most of my hobby-related needs.	0,733
Repurchase Intention (CR=0,789; AVE=0,555)	
RI1: I plan to shop at Flying Tiger again later.	0,765
RI2: I will probably go back to Flying Tiger in the future.	0,787
RI4: I will shop at Flying Tiger more often in the future.	0,679
Satisfaction (CR=0,831; AVE=0,622)	
SAT2: Flying Tiger is the right choice as a shopping destination based on my experience.	0,777
SAT3: Flying Tiger helps enrich the value of my daily life.	0,820

Indicator	Outer Loading
SAT8: I feel satisfied because Flying Tiger offers the best products for my hobbies.	0,767

Source : Data Processed by Smart PLS (2025)

The table above shows the results of processing data with SmartPLS. We can see that most of the indicators for each variable in this study have an outer loading that is higher than the set value, so they are seen as valid. Another way to check discriminant validity is to use the Average Variance Extracted (AVE) value. A value above 0.5 means the convergent validity is good. Also, we test construct reliability by measuring composite reliability. If the Composite Reliability value for a variable is more than 0.7, the variable is reliable enough. Based on the table, all AVE values are greater than 0.5. This means all variables are suitable to use, and there are no issues in the AVE test.

From the results of data processing with SmartPLS stated in the table above, it can be seen that the majority of indicators in each variable in this study have outer loadings greater than the specified value and are said to be valid. Several other indicators that have a smaller outer loading value have a low level of validation, and they are taken out and removed from the model.

The next step in evaluating the outer model is to assess discriminant validity (Hair et al., 2022). This test ensures that the indicators of a construct truly measure only that specific construct and are not significantly correlated with other constructs. Discriminant validity is assessed using the Heterotrait-Monotrait (HTMT) ratio, which is considered more accurate than the Fornell-Larcker criterion (Henseler et al., 2015). A construct is deemed to have adequate discriminant validity if the HTMT value is below 0.90.

Table 3. Heterotrait/Monotrait Ratio Value

DS	AM	CS	CV	DS	PP	PV	RI	SAT
AM								
CS	0,732							
CV	0,864	0,848						
DS	0,751	0,756	0,754					
PP	0,883	0,624	0,563	0,649				
PV	0,789	0,677	0,662	0,632	0,769			
RI	0,677	0,720	0,775	0,724	0,565	0,629		
SAT	0,850	0,750	0,796	0,727	0,802	0,777	0,882	

Source : Data Processed by Smart PLS (2025)

The HTMT values in this table show how the ideas in the research model connect. Most of these values are less than 0.9, meaning the ideas are clearly distinct. For

instance, the HTMT value between store atmosphere and convenience is 0.864, between convenience and customer service is 0.848, between customer service and perceived price is 0.690, and between perceived price and product variety is 0.808. One pair of ideas, store atmosphere and perceived price, has a value that's higher, but still less than 1. This means the connection between these ideas is still quite separate and not too alike. In general, HTMT values less than 0.9 show that these ideas measure different things, which backs up the discriminant validity in this research model.

Inner Loading Test

To see if there is multicollinearity in PLS-SEM, we look at the inner Variance Inflation Factor (VIF). A VIF value between 3 and 5 is generally okay. However, a VIF value higher than 5 is a serious concern. This means there is a major multicollinearity issue, which can hurt the accuracy of the research model's estimates (Hair et al., 2022). Some experts now suggest that the VIF value should stay below 3. This is because values between 3 and 5 might still have collinearity that lowers the model's quality (Hair et al., 2022). Therefore, it's important to keep the VIF value under 3 to make sure the research model is correct and dependable.

Table 4. Inner Variance Inflation Factor (VIF)

Variable	VIF	Result
AM → SAT	1,976	Ideal
CS → SAT	1,810	Ideal
CV → SAT	1,821	Ideal
DS → SAT	1,588	Ideal
PP → SAT	1,993	Ideal
PV → SAT	1,711	Ideal
SAT → RI	1,000	Ideal

Source : Data Processed by Smart PLS (2025)

The table shows that all VIF values are below 3, which is the recommended limit. This means there is no major multicollinearity issue between the independent variables in the model. For instance, the store atmosphere path to customer satisfaction has a VIF value of 1.976, which is acceptable. Also, customer service to customer satisfaction has a VIF value of 1.81, convenience to customer satisfaction has a VIF value of 1.821, store design to customer satisfaction has a VIF value of 1.588, perceived price to satisfaction has a VIF value of 1.993, product variety to customer satisfaction has a VIF value of 1.711, and customer satisfaction to repurchase intention has a VIF value of 1; these are all ideal.

In general, the VIF table results show that this research model does not have significant multicollinearity problems. This means that all independent variables can be used to measure what they are supposed to, without any overlap that affects the model's calculations.

The R-Square test shows how much the independent variable affects the dependent variable, and the table below shows the coefficient of determination.

Table 5 R-Square Value

Variable	R-square	R-square adjusted
RI	0,340	0,337
SAT	0,518	0,505

Source : Data Processed by Smart PLS (2025)

The table shows that the R-Square value for the repurchase intention variable is 0.34. This R-Square value of 0.34 means that the variables studied (store atmosphere, customer service, convenience, store design, perceived price, and product variety) explain 34% of the repurchase intention variable. The other 66% is explained by variables that were not part of this study.

Also, the R-Square value for the satisfaction variable is 0.518. This means that the variables studied (store atmosphere, customer service, convenience, store design, perceived price, and product variety) explain 51.8% of the satisfaction variable. The other 48.2% is explained by variables not included in this study. A higher R Square value means the independent variable explains more of the dependent variable, which leads to a better structural equation.

Q-Square in SmartPLS shows how well the model predicts endogenous variables (the variables being predicted).

Table 6 Q-Square Value

Variable	SSO	SSE	Q ² (=1-SSE/SSO)
Store Atmosphere	696.000	696.000	
Convenience	696.000	696.000	
Customer Service	928.000	928.000	
Perceived Price	1.392.000	1.392.000	
Product Variety	928.000	928.000	
Repurchase Intention	696.000	572.767	0.177
Customer Satisfaction	696.000	484.305	0.304
Store Design	696.000	696.000	

Source : Data Processed by Smart PLS (2025)

The table above shows that all variables are good at predicting the model. This is because the value of each independent variable is greater than 0: repurchase intention is 0.177, and customer satisfaction is 0.304.

F-Square in SmartPLS helps measure how much influence there is between variables. It calculates how much exogenous variables affect endogenous variables. F-Square shows how much the R-Square value changes when certain exogenous variables are taken out of the model. The F-Square value can be understood like this (Garson,

2016): A value <0.02 means a small or weak effect, >0.15 means a medium effect, and >0.35 means a large or strong effect.

Table 7. F-Square Value

Variable	AM	CS	CV	DS	PP	PV	RI	SAT
AM								0,015
CS								0,018
CV								0,037
DS								0,013
PP								0,072
PV								0,026
RI								
SAT							0,516	

Source : Data Processed by Smart PLS (2025)

According to the table, store atmosphere, customer service, and store design have a small or weak effect because their values are less than 0.2. Convenience, perceived price, and customer satisfaction have a large or strong effect because their values are greater than 0.35. Product variety has a moderate effect because its value is less than 0.35 but greater than 0.15.

Hypothesis Test

Hypothesis testing (bootstrapping) sees if the independent variable significantly affects the dependent variable. This testing uses the path coefficient, which includes the parameter coefficient and the t statistic's significance. The parameter's significance tells us about the relationship between the variables we're studying. Hypothesis testing compares the significance p-value to an error rate of 5%. We accept the H1 hypothesis if the p-value is less than 0.05. If the p-value is greater than 0.05, we accept H0. Hypothesis testing can also compare the t-statistic to the t-table. If the t-statistic is > 1.645 , the sign is more influential; if not, it isn't.

Table 8. Bootstrapping Hypothesis Test

Variable	Original sample (O)	Standard deviation (STDEV)	T statistics (O/STDEV)	P values	Description
AM → SAT	0,118	0,072	1,652	0,049	Supported
CS → SAT	0,127	0,072	1,750	0,040	Supported
CV → SAT	0,180	0,069	2,604	0,005	Supported
DS → SAT	0,100	0,061	1,643	0,050	Not Supported
PP → SAT	0,263	0,083	3,174	0,001	Supported
PV → SAT	0,148	0,072	2,041	0,021	Supported

Variable	Original sample (O)	Standard deviation (STDEV)	T statistics (O/STDEV)	P values	Description
SAT → RI	0,583	0,048	12,062	0,000	Supported

Source : Data Processed by Smart PLS (2025)

Here are the results of the PLS analysis using bootstrapping:

- 1) Product variety has a positive impact on customer satisfaction because its p value is 0.021 1.645, so we accept H1.
- 2) Perceived price, the price customers think they are paying, has a positive impact on customer satisfaction because its p value is 0.001 1.645, so we accept H2.
- 3) Store design does not have a positive impact on customer satisfaction because its p values are $0.05 < 0.05$ and its t-table value is $1.643 < 1.645$, so we do not accept H3.
- 4) Store atmosphere has a positive impact on customer satisfaction because its p value is 0.049 1.645, so we accept H4.
- 5) Customer service has a positive impact on customer satisfaction because its p value is 0.04 1.645, so we accept H5.
- 6) Convenience has a positive impact on customer satisfaction because its p value is 0.005 1.645, so we accept H6.
- 7) Customer satisfaction has a positive impact on repurchase intention, whether customers intend to buy again, because its p value is $0 < 0.05$ and its t-table value is $12.062 > 1.645$, so we accept H7.

IPMA Analysis

The IPMA method is divided into construct IPMA and indicator IPMA, where indicator IPMA is more appropriate when the indicator is formative, although it can still be used on reflective indicators (Hair et al., 2022; Henseler et al., 2015). One of the requirements that need to be considered is that the model used must have sufficient reliability and validity, and there is no negative influence or negative coefficient in the bootstrapping model (Hair et al., 2022). In this IPMA analysis, the target construct selected is operational excellence, which also serves as the dependent variable. The reason for choosing this construct is to study how independent variables directly affect operational performance, so we did not include mediating variables in this IPMA model.

Table 9. IPMA Construct Mean Value

Variable	Importance	LV Performances
Store Atmosphere	0.127	76,540
Convenience	0.176	72,993
Customer Service	0.125	71,373
Perceived Price	0.252	75,598
Product Variety	0.151	73,745
Repurchase Intention		71,365

Variable	Importance	LV Performances
Customer Satisfaction	0.583	72,814
Store Design	0.095	71,164
Average	0,215	73,199

Source : Data Processed (2025)

Other variables such as Perceived Price (0.252; 75.598) also contribute significantly to the model. These variables have performance and importance values greater than the average so that these variables have very good performance.

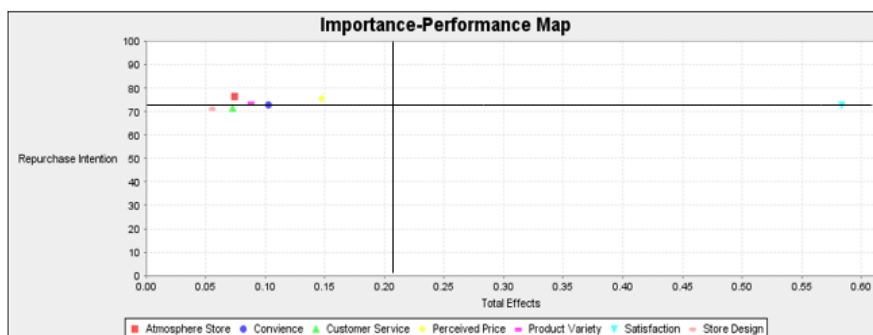


Figure 2 IPMA Construct

Source : Data Processed (2025)

Importance-Performance Map (IPMA) displayed shows the relationship between the importance and performance of various constructs in increasing repurchase intention in Flying Tiger customers Copenhagen. Based on this map, it can be seen that Perceived Price occupies the most strategic position with high importance and performance values. This means that how customers view the price is important for getting them to buy again. So, keeping the Perceived Price good will really help keep customers coming back to Flying Tiger Copenhagen. Also, Customer Satisfaction is important, but it's not doing as well as Perceived Price. Likewise, Convenience and Product Variety aren't as strong as Perceived Price either. This means that even though Customer Satisfaction is important for getting customers to buy again, there's still a chance to make things better to get customers to buy more often.

On the other hand, Store Atmosphere, Customer Service, and Store Design aren't very important or doing very well. This means that these things don't really affect whether customers buy again in this study.

5. Discussion

How Product Variety Affects Customer Satisfaction

The statistical tests for hypothesis 1 show that the P-value for how product variety affects customer satisfaction is 0.021, and the T-statistic is a positive 2.041. These

results fit the criteria, where the p value is less than 0.05 and the T-statistic is greater than 1.645. So, we can say that hypothesis 1 is correct.

The results show that product variety makes customers more satisfied. This means that having more different kinds of products makes customers happier. Also, product variety can make shopping more fun. This agrees with Sisca et al., (2022) research, which says that product variety makes customers more satisfied. This is because having different options gives customers more choices in size, colour, style, or features. This way, they can pick the product that fits them best. Plus, product variety can make customers feel better about shopping because they feel like they have more and better choices for what they need.

The Effect of Perceived Price on Customer Satisfaction

The statistical tests for hypothesis 2 show that the P-value is 0.001, which means that perceived price has a positive effect on customer satisfaction. This goes along with a positive T-statistic value of 3.174. These results follow the rules, where the p value must be less than 0.05 and the T statistic must be greater than 1.645. Therefore, we can say that the results of hypothesis 2 are correct.

When people think about prices, they might compare the price they see to what they expect the product to cost. The price they have in mind for these comparisons is called the internal reference price. Internal reference prices are prices that shoppers think are right, prices that have been around for some time, or prices that shoppers imagine as high or low market prices. Schiffman & Kanuk (2018) say that perceived price is about how shoppers see certain prices (high, low, reasonable), which strongly affects their desire to buy. The more affordable the price of something, the more shoppers want to buy it.

How satisfied shoppers are depends on whether the price and the benefits they get are a good match (Rivai & Zulfitri, 2021). Shoppers will be happy if the product's price meets their expectations. But, if the price doesn't match what they expect and the benefits they receive, they will not be happy. When buying products, people are unsure about how well the product will perform, so how they see the price is very important in deciding if they are satisfied (Simanjuntak, 2023).

The study's results say that perceived price has a positive effect on how satisfied shoppers are. This agrees with research by Anwar (2023) and Palelu et al., (2022), which shows that perceived price is a factor that affects customer satisfaction and has a positive and important effect on it.

The Effect of Store Design on Customer Satisfaction

The statistical tests for hypothesis 3 show that the P-value, which shows the negative effect of Store Design on customer satisfaction, is 0.05. This is paired with a T statistic value of 1.643. These results do not meet the set rules, where the p value must be less than 0.05 and the T statistic must be greater than 1.645. So, we can say that the results of hypothesis 3 are not correct.

The researcher's first idea was that store design has a big effect on how happy shoppers are. This is supported by Faria et al., (2022), who say that store design affects how happy regular shoppers are in hypermarkets and supermarkets. The results of this study are different. They show that store design has a negative effect on customer satisfaction. This is supported by Pambudi (2019), who says that store design doesn't have a significant effect on how happy shoppers are.

The Effect of Store Atmosphere on Customer Satisfaction

The statistical tests for hypothesis 4 show a P-value of 0.049, which indicates a positive effect of store atmosphere on customer satisfaction. This result is paired with a positive T-statistic value of 1.652. These results meet the set criteria, where the p value is 1.645, meaning we can accept the results of hypothesis 4.

The findings of this study agree with research by Risanty et al, (2024) and Alcaman (2020), which says that store atmosphere significantly improves customer satisfaction. This is because a good store atmosphere makes shopping better overall, which makes customers happier. Also, a store that is clean, well-organized, and visually appealing can make customers feel more confident and at ease while shopping. Store owners can improve customer satisfaction and make shopping more enjoyable by focusing on the store's atmosphere (Prayascita & Suci, 2022). Customer comfort in a store depends on its architecture and layout, colors, music, and scents (Charles et al., 2021).

The Effect of Customer Service on Customer Satisfaction

The statistical tests for hypothesis 5 show a P-value of 0.04, which indicates a positive effect of customer service on customer satisfaction. This result is paired with a positive T-statistic value of 1.75. These results meet the set criteria, where the p value is 1.645, meaning we can accept the results of hypothesis 5. The results of this study are in line with what Alcaman (2020) found, which is that customer service affects how satisfied customers are. Ahmad et al., (2024) also state that good customer service has a significant, positive effect on customer satisfaction. This shows that good customer service can make customers more satisfied, and bad service can do the opposite. Good service, such as being quick to respond, friendly, and helpful, can improve customer satisfaction and create lasting relationships.

The Effect of Convenience on Customer Satisfaction

The statistical test for hypothesis 6 shows that the P-value, which shows how Convenience positively affects customer satisfaction, is 0.005. This goes along with a positive T-statistic value of 2.604. These results fit the criteria where the p-value is less than 0.05 and the t-statistic is greater than 1.645. So, we can say that the results of hypothesis 6 are acceptable.

The results of this study agree with research by Rahmat (2021), which says that convenience has a positive and important effect on how satisfied customers are. The more convenience customers feel, the more satisfied they are. This convenience could be in the form of easier shopping, transactions, or service (Rahmat, 2021). Overall, when customers feel convenience, it positively affects their satisfaction. This is because convenience can make things more efficient, less frustrating, and more

enjoyable (Hukama, 2023). The statistical test for hypothesis 6 shows that the P-value, which shows how Convenience positively affects customer satisfaction, is 0.005 along with a positive T-statistic value of 2.604, thus these results are in accordance with the specified criteria where the p value is less than 0.05 and the t-statistic is greater than 1.645. Therefore, it can be stated that the results of hypothesis 6 can be accepted.

The results of this study agree with research by Rahmat (2021), which says that convenience has a positive and important effect on how satisfied customers are. The more convenience customers feel, the more satisfied they are. This convenience could be in the form of easier shopping, transactions, or service Rahmat (2021). Overall, when customers feel convenience, it positively affects their satisfaction. This is because convenience can make things more efficient, less frustrating, and more enjoyable (Hukama, 2023).

The Effect of Customer Satisfaction and Repurchase Intention

The statistical tests for hypothesis 7 show a P-value of 0, which means customer satisfaction has a positive effect on customer satisfaction. The T-statistic value is 12.062, which is also positive. These results meet the set criteria, where the p value is 1.645. So, we can say that the results of hypothesis 7 are accepted.

The findings of this study agree with research by Saputra & Zai (2022) and Ratri & Hidayat (2021), which states that customer satisfaction has a positive and significant effect on whether customers will buy the product again. This means that if customers are more satisfied, they are more likely to repurchase. Also, when customers are happy with a product or service, they tend to buy it again in the future.

Satisfied customers usually have good experiences with the products or services they buy. This good experience can make them want to come back and have the same experience again (Wibisono & Keni, 2023). Customer satisfaction also helps build customer loyalty. Loyal customers tend to keep buying from the same company, even if there are other options. The feeling of satisfaction can make customers want to buy the same product or service again, because they are confident they will have another good experience (Baraja & Kohardinata, 2022).

6. Conclusions

Based on this research, we can say the following : product variety has positive impact on customer satisfaction at Flying Tiger Copenhagen in Indonesia. Perceived price has positive impact on customer satisfaction at Flying Tiger Copenhagen in Indonesia. Store design does not have positive impact on customer satisfaction at Flying Tiger Copenhagen in Indonesia. Store atmosphere has positive impact on customer satisfaction at Flying Tiger Copenhagen in Indonesia. Customer service has positive impact on customer satisfaction at Flying Tiger Copenhagen in Indonesia. Convenience has positive impact on customer satisfaction at Flying Tiger Copenhagen in Indonesia. Customer satisfaction has positive impact on repurchase intention at Flying Tiger Copenhagen in Indonesia.

Based on this research, retail stores in Indonesia can develop better ways to market, design their stores, and serve customers. This can help them compete better and keep customers coming back. Future research should look at other companies and other things that affect how satisfied customers are and whether they will shop again.

The results of this study add to what we already know about this topic. To get customers to come back and be satisfied when they shop at a store, this model shows that several things are needed. In this case, Store Atmosphere means things like lighting and scents that create a certain feeling in the store. Customer Service means the help that store employees give to customers. Convenience means how easy and comfortable it is for customers to shop, like having easy access, a good location, and simple payment options. Store Design means how the store is laid out and how it looks, which is meant to make shopping better for customers.

Perceived Price means that the price of a product matches its quality and type. When customers feel that a product is priced right for what it is, they enjoy shopping more. Product Variety means having a wide range of products in a store, so customers don't have to go to other stores. The results of this study show that store atmosphere, customer service, and convenience are important for getting customers to come back and be satisfied, which comes from their overall experience. Based on what this study found, especially the main parts of the customer experience, here are some suggestions for the managers of Flying Tiger Copenhagen Indonesia.

First, to get customers to buy more, the store could add more products or types of products so customers can find everything they need in one place. Second, the store should check its products and their quality to make sure the prices are fair. Third, the store can improve its appearance to be more attractive, organized, and easy to shop in. Fourth, the store can make a comfortable environment with good lighting, music, temperature, and scents. Also, store employees should provide great service by helping customers with product information or finding what they need. Fifth, for customer convenience, the store should have a good location, be easy to get to, offer simple payment options, and have quick checkout processes.

For future studies, it's a good idea to study other companies and look at different things that affect customer happiness and repeat purchases. Other retail stores should set their prices based on the product type and quality. Also, other retail stores should have appealing designs to make customers feel good while shopping. Retail stores should also focus on making customers feel comfortable.

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